MAINE STATE LEGISLATURE

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SEVENTY-SEVENTH LEGISLATURE

SENATE NO. 404

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE HUNDRED AND FIFTEEN

AN ACT to amend Section 80 of Chapter 48 of the Revised Statutes of Maine as amended by Chapter 15 of the Public Laws of 1905 relating to trust companies.

Be it enacted by the People of the State of Maine, as follows:

Section 80 of Chapter 48 of the Revised Statutes of 1903

2 as amended by Chapter 15, Public Laws of 1905 is hereby

3 amended by adding after the word "restored" in the next

4 to the last line of said section the following: 'Provided,

5 however, that any trust company may become a stockholder

6 in a Federal Reserve Bank winthin the Federal Reserve Dis-

7 trict where said trust company is situated, and while such

8 trust company continues as a member bank under the pro-

9 visions of the United States "Federal Reserve Act" ap-

10 proved December 23, 1913, or any acts in amendment there-
11 of, shall be subject to the provisions of said "Federal Re-
12 serve Act" and any amendments thereof relative to bank
13 reserves in substitution for the requirements of this section.
14 Every such trust company may have and exercise any and
15 all of the corporate powers and privileges which may be ex-
16 ercised by member bank under provisions of "Federal Re-
17 serve Act" or any acts in amendment thereof or in addition
18 thereto,' so that said section as amended shall read as fol-
19 lows:

   'Sect. 80.   Every trust and banking company having
21 authority to receive money on deposit shall at all times have
22 on hand in the lawful money or national bank notes of the
23 United States, as a cash reserve, an amount equal to at least
24 fifteen per cent of the aggregate amount of its deposits
25 which are subject to withdrawal upon demand or within
26 ten days; provided, that in lieu of such cash reserve, two-
27 thirds of said fifteen per cent may consist of balances paya-
28 ble on demand due from any national bank or trust company
29 located in any of the other New England states or New
30 York and approved by the bank examiner in writing: and
31 one-third of said fifteen per cent may consist of the bonds
32 of the United States, the District of Columbia, and any of
33 the New England states and the states of New York, Penn-
34 sylvania, Maryland, Ohio, Indiana, Kentucky, Michigan,
35 Wisconsin, Minnesota, Iowa, Illinois, Missouri, Kansas and

36 Nebraska, the absolute property of such corporation.

37 Whenever said reserve shall be below said percentage of

38 such deposits, such corporation shall not further diminish

39 the amount of its legal reserve by making any new loans un-

40 til the required proportion between the aggregate amount

41 of such deposits and its cash reserve shall be restored. Pro-

42 vided, however, that any trust company may become a

43 stockholder in a Federal Reserve Bank within the Federal

44 Reserve District where said trust company is situated, and

45 while such trust company continues as a member bank un-

46 der the provisions of the United States "Federal Reserve

47 Act" approved December 23, 1913, or any acts in amend-

48 ment thereof, shall be subject to the provisions of said "Fed-

49 eral Reserve Act" and any amendments thereof relative to

50 bank reserves in substitution for the requirements of this

51 section. Every such trust company may have and exercise

52 any and all of the corporate powers and privileges which

53 may be exercised by member banks under provisions of the

54 "Federal Reserve Act" or any acts in amendment thereof

55 or in addition thereto. All provisions of charters in con-

56 flict with this section are void.'